4:Grajdanzev--83-84 S-4 (no date) 1942 Formosans
116, 241, 427, 511, 556

"We have no recent figures of tenancy conditions but, according to an investigation made in 1927, the position of the average farmer-tenant appeared as follows (on land of average quality in paddy with two crops a year):

| | yen |
|---|---|
| Value of crop from 0.75 ko | 325 |
| Rent | 160 |
| Balance | 165 |

Thus his reward for his and his family's labor for the whole year was ¥165, minus the expenses of production apart from labor. From this sum house taxes, indirect taxes, etc. must be paid. This income of ¥165 may be compared with the income of a landowner who had 15.5 ko (the average for the upper group of landowners) and leased all this land to tenants. His yearly income would be ¥2,480.

These conditions may not exist now, since the above figures refer to 1927. Official sources do not give new figures, but a few calculations show that the situation has not greatly changed. As has been shown, the proportion of tenants to the total number of farmers has increased since that time, so [84] that competition among them must be stiffer, and there is no reason to expect that rents are lower. The value of two crops of rice from 0.75 ko of paddy in 1937 averaged ¥515 but prices general in 1937 were at least thirty per cent higher than in 1927. All this suggests conditions of poverty among the tenants and the position of even the majority of so-called owners may be not much better."

4:Grajdanzev--154-155 S-4 (no date) 1942 Formosans -1-3
116, 171, 465, 511, 556, 563, 177.43 Japan
636.43

"The profits and emoluments which the Japanese get from Taiwan may be divided into two parts, that which they consume in Taiwan itself and that which is sent to Japan or invested in business. Consider first what the Japanese consume on the island. We shall assume that the workers and the lesser officials consume the whole of their income—any error which this hypothesis may involve will be small. Skilled Japanese workers in Taiwan earn about 700-800 yen a year and subordinate officials, who form the bulk of the Japanese population, earn about 1,200-1,500 yen a year. There are Japanese who earn and spend much less than the skilled worker and also rich Japanese who spend much more than 1,500 yen. Let us [155] assume that 1,500 yen is the average annual amount spent by a Japanese family in Taiwan and that in each family only one person is working (1). On these assumptions the disbursements of the Japanese popula-

1. It is interesting to note that the budget investigation conducted by the government-general in 1937-1938 based on 355 'representative' Japanese families comprising 1,397 persons arrived at an average of 184.56 yen per month or 2,215 yen per year. This investigation does not include the richest families but does include poorer groups (18 families with incomes below 840 yen a year) showing that our estimate of 1,500 yen is certainly not above the average, but quite probably below it. The same source gives budget figures for the Chinese on the island, but they cannot be used for purposes of accurate comparison because they embrace only the

higher brackets of wage earners and salaried men. Their average earnings are 137.33 yen per month, though the official average daily wage is 1.27 yen, but those receiving less than 40 yen per month comprise only one percent of the cases investigated.

tion in 1938 are estimated at about 90 million yen. Of course, a part of this outlay would be made if Chinese workers and officials, working as hard and as well as the Japanese (2), were substituted for the latter. The average Chinese worker does not earn more

2. An official source says of the Chinese in the service of the Post Office that they 'have shown themselves as satisfactory postal employees as the Japanese in the same capacity.' (Taiwan, its System of Communications and Transportation. p. 24.)

than 380 yen a year (3), and a Chinese official earns about 600 yen. Thus the same num-

3. Based on the official daily average of 1.27 yen multiplied by 300 (days).

ber of the Chinese would cost only about 36 million yen, or about 54 million yen less than the Japanese. We shall see that this is not the chief item in the list of benefits

which Japan derives from possession of the island (4).

4. The budget investigation conducted in Japan in 1936-37 gives the average monthly income as 90.59 yen per family for 558 families, while that in Taiwan in 1937-38 gives an average 184.56 yen for 355 families. If the groups included are reasonably comparable, as seems probable, the difference between the average earnings of the two groups gives some indication of the net advantage of the Japanese occupied in Taiwan and their 'dividend' in the colonial profits."

4:Grajdanzev--155 S-4 (no date) 1942 Formosans
116, 434, 556, 177.43 Japan
636.43

"The amount of profits collected [by the Japanese--analyst] may be calculated more or less precisely. We know that the exports from Taiwan are greater than the imports into the island and there can be only one explanation: considerable real wealth is transferred from Taiwan to Japan each year, wealth which represents the profits and savings of the Japanese in Taiwan."

15: U.S. Navy --26 [13] (no date) 1944 Formosans
116, 625, 556, 744, 177.74 Japanese
636.74

"The Japanese policeman undertakes to instruct rural peoples in sanitation, house-building, religious observance and many other things elsewhere usually left to private initiative. Large-scale public works projects have raised the whole standard of health and public welfare. Extremes of wealth and poverty are not very apparent in normal times."

15: U. S. Navy--27 [2] (no date) 1944 Formosans
116, 556, 511, 596

"Among the Formosans there is little outward display although there are several notably wealthy families. The majority of Formosans are impoverished farmers, but the natural richness of the land, the favorable climate, the quality of the soil and the communal nature of the Chinese family system which permits the individual to share equally in the total goods of the family, combine to prevent such great extremes of destitution as are to be found on the China mainland only 90 miles away."

15: U.S. Navy -- 27 [6] (no date) 1944 Formosans
116, 454, 511, 556, 563

"As an indication of the relative wealth of individuals in Taiwan, it is notable that bank and postal savings deposits of Japanese in Taiwan are from seven to ten times larger than the average deposits of Formosans. It will be noted in the following table that per capita wealth increased rapidly until the outbreak of war between Japan and China in 1937.

Table 22: Average Savings per Depositor in Post Office Accounts

| | 1921 | 1929 | 1934 |
|---|---|---|---|
| Japanese | ¥33.3 | ¥51.0 | ¥146.5 |
| | ($15.98) | ($23.96) | ($44.27) |
| Formosan | ¥8.2 | ¥16.6 | ¥14.2 |
| | ($3.93) | ($7.63) | ($4.29)" |

15: U.S. Navy --27 [7] (no date) 1944 Formosans -1
116, 465, 511, 435, 556, 563

"Living conditions and the cost of living are intimately connected with the wage scale. Wages in Japan are two to three times higher than the wages of Formosans. For the skilled Formosan the average daily wage in the second half of 1938 was ¥1.13 ($.27) per day, and for the unskilled worker ¥.85 ($.17): figures based upon averages for sixty different categories. The Japanese official averages published for 1939 were ¥1.27 ($.33) for the Formosan-Chinese and ¥2.41 ($625) for the Japanese laborer. The average Formosan family consists of five persons, who must depend upon these wages. As an indication of the cost of living and the standard possible, there is presented the retail prices of some commodities in Taihoku, in May, 1939, when the yen was worth $.2596:

Table 23: Retail Commodity Prices, Taihoku, 1939

| | |
|---|---|
| Sweet potatoes per kin (1.3228 lbs.) | 6.4 sen |
| Rice (first grade) " " " | 11.0 " |
| Sugar " " " | 29.0 " |
| Pork (av. quality) " " " | 43.0 " |
| Fish " " " | 18-22.0 " |
| Chicken eggs, each | 6.0 " |
| Soap per piece | 10-17.0 " |
| Matches, per box | 1.4 " |
| Firewood (per 100 kin) | 180.0 " |

Table 23: (cont.)

| | |
|---|---|
| Miso (bean paste) (100 momme: 0.827 lbs.) | 8.0 sen |
| Muslin, per yard | 134.0 " " |

15: U.S. Navy –27 [8] (no date) 1944 Formosans
116, 434, 511, 556

"The restrictions and rationing of food, clothing and fuel which have gone into effect throughout the empire, are felt more keenly by the Japanese because of their higher standard of living. A number of essential articles were unobtainable or only occasionally obtainable late in 1940 at Taihoku."

15: U.S. Navy--28 (no date) 1944 Formosans
116, 301, 556

"The women of both groups [MC: Formosan Chinese of both Fukien or Cantonese and Hakka origin] wear bracelets and earrings which , if they can afford it, are of gold and jadeite and represent a considerable concentration of family wealth."

31: Hofmann--630-631 N-3 (1909) 1912 Formosans
116, 342, 423, 556

In Tainan I stayed in an old house which belonged to a member of the Chinese nobility; there I was able to observe the luxury with which the Chinese surround themselves. Many of the Chinese have accumulated considerable wealth on Formosa; there are several millionaires among them who had remained after the conquest of the island, while others fled to the mainland with all their possessions. In contrast to the Japanese, who throughout their history have looked down upon capitalists and traders, who even despise merchants and today still do not always accept them socially, the Chinese are all motivated by a desire for profit. The pioneers among them took large areas of the most fertile land from the natives; these were leased and subleased to later immigrants. Thus when the Japanese took possession of Formosa they encountered a complicated system of land ownership and tenure which yielded great profits to some individuals. In the management of real estate problems, [631] which resulted in the large-scale exploitation of tenants and subtenants, the new regime has constantly taken the side of the exploited and it has succeeded in bringing order into the system as a whole. There is still a wide field of activity for the Chinese capitalists, however, since they apply only to their compatriots for credit, never to the Japanese.

42: Schetelig--390-391 T-2 (no date) 1868 Formosans-1-2
116, 423, 556, 565

Formosa was not colonized by the government. The Chinese were, and are, too practical not to know the drawbacks of state interference in colonization in all its extent, and both on the mainland and here in Formosa [391] they have taken good care not to transfer the center of gravity of the Empire to the outside. Consequently... northern and western Formosa must be looked on as a colony of squatters who, however, in the course of the years, have received titles and documents from the mandarins for the land which they had often acquired by the sword. All this was done by means of contracts and compromise, and so it comes about that today, in the midst of a population already numbering millions, and who immigrated comparatively recently, we find a number of old families who, having lived here for centuries, have developed a power that far exceeds that of the Imperial officials, due to the great forces that the possession of land has always put at their disposal. But it is clear that these various parties lend each other support in view of the chaotic condition of a population that has come together from the most varied provinces of the Empire, and in view of the need of exploiting the camphor forests in their own interests both against the Europeans outside the country and the mountain-dwelling natives within. The rich and independent settler of long standing supported the mandarin in maintaining and extending Imperial rights, at least insofar as he himself was not included in them, and on the other hand the mandarin has always been intelligent enough to respect the traditional rights of such an independent leader,

exacting no transport tax for his merchandise and not even hampering him in his destructive war against the extensive camphor woods, although otherwise every infringement of the law concerning the sacredness of the camphor monopoly is looked on as a kind of high treason directed against the Crown.

52:Barclay S-5 (nodate)1954 ADl Formosa ADl



this nominal government policy existed within Taiwan's rural villages. The bulk of the population was made up of peasant farmers and small tradesmen, who supplied the commodities for most of the export trade. The fact that their products were exported did not bring them into closer touch with outside markets. Farming and other village activities did not reach beyond local boundaries; the arrangements for disposing of farm produce, as we have seen, were in different hands.

The rural population led a settled existence. Taiwan being a small area, travel between places was not uncommon, but it was rare for families to change residence from one part to another. With poor roads and chronic banditry, even minor journeys entailed some hardship and risk and so were undertaken chiefly for exceptional purposes. The same difficulties hindered the movement of commodities. Internal markets had not been very effectively developed to transfer articles of ordinary use from town to town; reports tell of wide variation in prices for standard items such as food, and of prohibitive hazards to products in transit.[5] Often products could be shipped to the coast and on to China more easily than to points elsewhere in the island.

Local stability fostered local solidarities. The inconvenience of communication helped rural settlements to become close-knit communities, by segregating certain cleavages and antagonisms that the Chinese had brought with them from the mainland. Many had come from different localities in Fukien and Kwangtung, and had maintained their ancestral clan affiliations. Members of these groups frequently settled together and did not intermarry with others. Even many years after annexation by Japan, the Japanese found that several communities had kept themselves free of mixture with other groups. For these various reasons, village organization in many respects became self-contained and self-sufficient.[6]

Property institutions helped to buttress the stability in these small communities. In Taiwan, as in China, land ownership was the only durable form that substantial wealth could take. It was durable

[5] Takekoshi, Yosaburo (1907), pp. 252 and 269-270.

[6] The turbulent history of Taiwan has been carelessly represented as one of indiscriminate civil disorder, its early population as "unruly." It is noteworthy that most of the disturbances apparently followed the lines of cleavage above. Far from portending a breakdown of tradition within the Chinese settlements, these incidents were contests of strength between distinct parties—powerful clans, government forces, and aboriginal tribes. None was directed against the form of the social order itself, and none ever threatened that order.

52:Barclay S-5 (nodate)1954 ADI Formosa ADI



against climate and short-term deterioration in use, against destruction through violence, and against decline in the income that it produced. Since the farming population was increasing within a fairly definite area, it had additional value in speculation. Land was also relatively safe against confiscation by the government; not only could its ownership be hidden from casual inspection, but the government itself depended on the obligations owed to landlords by tenants to uphold its authority. Under agrarian conditions of farming on a small scale it is impossible to cultivate large holdings of land under a single management. Hence, the only way to amass large wealth is to become a landlord—beyond some point, necessarily an absentee landlord. In early Taiwan, considerable concentration of landholdings was reported. Ownership tended to gravitate into the control of large and powerful families, whose influence was the only recourse of government officials in asserting their rule.[7]

On the economic side, this concentration of wealth was not given a chance to develop into industrial-type investment. The landed gentry, often landed on considerable scale, were the only group of persons who had access to sufficient income to become capitalists.[8] Practically, however, it proved more secure and profitable to let out their lands to tenant farmers. When they branched out into different enterprises, it was as an adjunct to their status as gentry. In South Taiwan, for example,

> ". . . sugar was manufactured from the cane grown upon the owners' plantations, or from that brought from elsewhere. The cane was grown by the tenants, or by those who through being heavily indebted to the landowner stood in the same relation as retainers . . . under it [this system] the master of the sugar factory secures a threefold profit.
>
> 1. As landlord, he claims from his tenants from 15 per cent. to 20 per cent. of the cane as rent.

[7] One might suspect that, as in China, members of these families *were* the officials at lower levels of administration. But there is no direct evidence on this point, aside from frequent references to the fact that *clan* solidarity, imported to Taiwan by the migrants from South China, was one of the few bases for organizing any kind of joint action by Taiwanese on a large scale.

[8] The government was unable to fill such a role itself for reasons already noted. Officials, who were not permanent fixtures in Taiwan, confined their acquisitive energies to foreign commerce, where returns were quicker and they did not need to make long-term commitments. For example, it is significant that the government almost never operated its own monopolies, but let them out to many private agents and taxed the products as they were exported.

1:Gallin E-4,5 (1957-1958) 1966
AD5 Taiwan Hokkien AD5
Taiwan AD6
Formosa AD1



to as such. Taiwanese, also called Min-nan *hua*, is a Fukienese language like Amoy. It is spoken by the majority of the people of Taiwan, and, although it is spoken with different accents, the speakers of the different variants can understand each other. The accents vary according to the place of origin of the speaker's ancestors. Regional differences have developed in Taiwan as well, so that the accent of the coastal area where Hsin Hsing is located differs from the accents of Taichung or the mountains.

Hakka, another Chinese language, is spoken by the Hakka people (*k'o jen*, "guest people") who originated in Kwangtung province on the mainland. Because of the minority position of the Hakka in Taiwan, they have often had to learn Taiwanese, although Min-nan speakers seldom learn Hakka. The Hsin Hsing village area has no Hakka speakers, and there has been little or no reason for the people of the region to learn Hakka. They are, however, well aware of the Hakka people and of the differences between their languages.

Mandarin, the third Chinese language, is now the official language of the government, replacing Japanese. Japanese first became important in Taiwan through the school system developed by the former rulers. In the 1920's the Japanese government began to augment Taiwan's school system, and "by 1943, 70 percent of Taiwanese children of legal school age were attending some sort of school" (Barclay, 1954b:68n). A limited number of Taiwanese children, usually those whose parents had some status, attended a special primary school system set up by the colonial government for the Japanese children on the island. Classes in these schools were conducted in Japanese. Most children, however, attended the public primary schools whose classes were "conducted in the local dialect" although the children "were required to learn to read in Japanese" (Riggs, 1952:138). All secondary schools and colleges conducted classes "exclusively in Japanese" (Riggs, 1952:138).

In the rural area some children from wealthy landed families attended school beyond the primary level. Because of their education, they were given official jobs under the Japanese regime and mainly spoke Japanese. Today, these men, like a great many urbanites educated under the Japanese, still speak fluent Japanese. The same men now are working for the Mandarin-speaking Nationalist regime and so usually speak Mandarin. They have rarely had the opportunity to use their native Taiwanese and are often chided for speaking their own language very badly.

Most of the rural people though, who did attend public school, usually did not go beyond the primary school level. Many villagers, and almost all rural women, attended school irregularly or not at all. Among all these villagers then, many learned no more than a few

1:Gallin E-4,5 (1957-1958) 1966
AD5 Taiwan Hokkien AD5
Taiwan AD6
Formosa AD1 •



the land reform act, and used the money for additional investments.

Many former landlords have done poorly at business, and some have even failed because of their lack of experience and training. Others have maintained their economic investments in the villages. Several formerly large landholders in the two villages adjacent to Hsin Hsing continue their activities in their villages and the surrounding area very much as before. Although their landholdings were cut significantly by the land reform, they nevertheless retain their maximum three *chia* of land. Also, in some instances, a number of landlords prior to the 1953 act managed to retain control of more than the three *chia* limit by legally dividing their family and then transferring portions of their land to the names of other members of their family. By virtue of their positions many landlords, especially those who worked as minor officials or civil servants in the local administration or who were well acquainted with officials, became aware of the ins and outs of the proposed land reform laws and so knew exactly how to manipulate their landholdings legally in order to retain as much land as possible.

Even today landlords may, and do, buy land in excess of three *chia* and then hire laborers to till it for them. As long as they do not rent the land out they seem to be safe from legal action. A few landlords who manage to buy additional land are still doing so in the names of other members of their family and in such cases then actually rent the land out to tenants. But it appears that the fear of another Land Reform Program in the future, as well as the increased movement of the landlords' economic interests outside the rural area, serves to deter many landlords from attempting to reaccumulate landholdings, even by the devious but legal means.

Another frequent activity of landlords who have chosen to maintain their economic interests in the Hsin Hsing area is that of moneylending. The small farmer, having little to offer as security, still continues to resort to the local moneylender for cash or other loans. The local moneylender lends fairly large amounts for longer periods of time than any agency of the government or association but, of course, at extremely high interest rates.

The landlords will continue to engage in moneylending as long as the farmer has credit difficulty. If a good profit can be made from moneylending, it is evident that the wealthy landlords will not willingly transfer their economic interests into more productive economic activities.

Traditionally, the village landlord has played a major role in the leadership of his village and its immediate vicinity. During the Japanese period, such leadership roles were greatly reinforced by the Japanese, who preferred to handle village problems through the wealthy landlord class rather than by dealing directly with the "peas-

1:Gallin E-4,5 (1957-1958) 1966
AD5 Taiwan Hokkien AD5
Taiwan AD6
Formosa AD1



ants." The Hsin Hsing villagers readily recall that the local Japanese police and officials showed respect only for the well-to-do landlords. Consequently, if the villagers were to get along successfully with the Japanese, they had to work through their landlords. They usually elected a landlord to handle local village affairs and to represent village interests in dealing with the Japanese authorities.

The arrangement was also to the landlord's advantage. As the official leader, he wielded greater power by which he could more easily manipulate the villagers, and even the tax collector, to his own advantage. His recognition as a leader by his fellow villagers and by the authorities also increased his prestige.

Not only was such a landlord the elected village political leader but he might often be an informal leader as well, a person who took an active part in most of the social and religious affairs of the village. He usually contributed money and time to help make these affairs a success. The efforts of the landlord helped to build up his reputation as a public-spirited citizen. Frequently, he assumed the role of mediator in discussions of village and intervillage problems and in disputes between his own villagers or even between members of other villages. When the landlord's efforts as a mediator extended beyond his own village, he enhanced his own reputation in the whole area and that of his village as well.

These conditions continued after the restoration into the post-land reform period. Today, the landlord class continues in the rural area and wields power in local grass roots politics as well as in socioeconomic affairs. In most villages the recognized leaders are still those who are rich, maintain big landholdings, and have had a fairly good education. Such people may also have influence—perhaps by virtue of a relative—in some government agency. It is still a great advantage to a village to have a wealthy representative of the landlord class to deal successfully with authorities. Many, if not most of the government officials, are drawn from this class, since they are educated and usually wealthy.

However, this picture is beginning to change. Village affairs are being profoundly affected as many former large landlords and traditional local leaders transfer their economic interests and activities away from the land to new business interests elsewhere. When a landlord gives up his major economic interests in the area, it is usually not long before village social, religious, and political activities become much less important to him. Because the personal advantage is gone, he is no longer concerned with maintaining his status or leadership role. He may even move his residence out of the village in order to be closer to his new economic interests.

Villages suffering such a loss of local leadership have reacted in two